

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6073

BILL NUMBER: HB 1036

NOTE PREPARED: Jan 30, 2008

BILL AMENDED: Jan 29, 2008

SUBJECT: Proof of Motor Vehicle Financial Responsibility.

FIRST AUTHOR: Rep. Ulmer

FIRST SPONSOR: Sen. Steele

BILL STATUS: As Passed House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill:

- (1) Specifies that a court must require certain persons to provide to the Bureau of Motor Vehicles (BMV) proof of financial responsibility in relation to a moving traffic offense;
- (2) Requires the BMV to establish a registry of previously uninsured motorists for random, periodic verification by the BMV of financial responsibility compliance;
- (3) Requires the BMV to adopt rules;
- (4) Makes a failure of a previously uninsured motorist to respond to a BMV request for verification prima facie evidence of a financial responsibility violation;
- (5) Provides for removal of names from the registry; and
- (6) Makes technical changes with regard to the definition of "moving traffic offense".

Effective Date: (Amended) Upon passage; July 1, 2008.

Explanation of State Expenditures: (2) Requiring the BMV to establish a registry of previously uninsured motorists and to adopt rules can be accomplished within existing levels of staff and resources. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

(Revised) (3) Requiring the BMV to adopt rules to make specifications for and implement the registry will have no impact and will be accomplished within the current rule-making procedures.

(Revised) **Background Information:** In CY 2007, the BMV reported there were 72,813 citations issued for no insurance, resulting in 72,322 suspensions; 46,268 citations issued for no-insurance accidents, resulting

in 41,230 suspensions; 17,042 suspensions for repeat no-insurance violations; and 3,059 no-insurance court suspensions.

For the BMV, there may be additional expenditures associated with the amending of the current form to show proof of financial responsibility. This expenditure is anticipated to be minimal and can be accomplished within the current BMV budget. The fund affected is the Motor Vehicle Highway Account.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: :Bureau of Motor Vehicles.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: BMV suspension and citation data for CY 2007; Sarah Meyer, Legislative Liaison of the BMV, 317-232-1936.

Fiscal Analyst: James Sperlik, 317-232-9866.